



## Recommendation 541 (1969)<sup>1</sup>

# Financing of structural adaptations in agriculture

Parliamentary Assembly

The Assembly,

1. Recalling its [Recommendation 411 \(1965\)](#) on agricultural policies in Europe and referring to its [Recommendation 542 \(1969\)](#) on agricultural inheritance laws which is closely related to the present recommendation;
2. Having taken note of the report submitted to it by the Committee on Agriculture and the expert opinion attached to this report;
3. Considering that the turnover of capital for land and equipment in agriculture is of necessity slow and that the fact creates particular problems of financing in this sector;
4. Considering that the financing of structural adaptations in accordance with modern technical requirements constitutes an expensive and long-term undertaking the burden of which cannot be assumed by the farming community alone, while the increasing income discrepancy recorded not only within agriculture itself but also between agriculture and the rest of the economy demonstrates the need for such adaptations to be undertaken;
5. Considering therefore that an adequate solution to the problem of financing structural adaptations in agriculture constitutes a major prerequisite for the desired integration of this sector into the economy as a whole, and that policies aimed at facilitating an up-to-date organisation of farming and marketing, and at providing the necessary legal and institutional framework for such adaptations, would need to be backed up by a long-term investment programme relying to a great extent on public support;
6. Considering that a clear-cut programme, replacing and complementing the many special schemes at present in force in different member countries, would be of advantage to farmers and at the same time permit a better evaluation of the results,
7. Recommends the Committee of Ministers to invite the governments of member states:
  - a. to work out - in the framework of OECD and in connection with the current investigation into the capital needs of agriculture undertaken by the OECD Committee for Agriculture - a set of principles and recommendations concerning the financing of structural adaptations in agriculture which could serve as a basis for the formulation of comprehensive investment programmes for agriculture;
  - b. in doing so to take into account:
    1. the need for an equitable harmonisation of such financing as between different European countries, including EEC, with a view, inter alia, to ensuring a reasonable resource allocation;
    2. the need for a close co-ordination of financing measures with regional development plans, particularly with regard to the provision of new employment opportunities, and social infrastructure (sanitary equipment, cultural services, education);

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1. Assembly debate on 27 January 1969 (20th Sitting) (see [Doc. 2498](#), report of the Committee on Agriculture). Text adopted by the Assembly on 27 January 1969 (20th Sitting).



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3. the desirability of easing the flow of funds to those farms where permanent benefit can be expected;
4. the special difficulties facing farmers under the owner-operator system, particularly in connection with succession;
5. the sometimes high degree of obsolescence of farm buildings and rural dwellings;
6. the special responsibility of local and central government with regard to the infra-structural environment and its improvement;
7. the need for any financing programme to be accompanied by a corresponding effort to improve information and education in their widest sense.